

Maine Revised Statutes
Title 13-C: MAINE BUSINESS CORPORATION ACT
Chapter 14: DISSOLUTION

§1430. GROUNDS FOR JUDICIAL DISSOLUTION

A corporation may be dissolved by a judicial dissolution in a proceeding by: [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

1. Attorney General. The Attorney General if it is established that:

A. The corporation obtained its articles of incorporation through fraud; or [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

B. The corporation has continued to exceed or abuse the authority conferred upon it by law; [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

2. Shareholder. A shareholder if it is established that:

A. The directors are deadlocked in the management of the corporate affairs, the shareholders are unable to break the deadlock and, because of the deadlock, irreparable injury to the corporation is threatened or being suffered or the business and affairs of the corporation can no longer be conducted to the advantage of the shareholders generally; [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

B. The directors or those in control of the corporation have acted, are acting or will act in a manner that is illegal, oppressive or fraudulent; [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

C. The shareholders are so divided regarding the management of the business and affairs of the corporation that the corporation is suffering or will suffer irreparable injury or the business and affairs of the corporation can no longer be conducted to the advantage of the shareholders generally; [2007, c. 289, §43 (AMD).]

D. The shareholders are deadlocked in voting power and have failed, for a period that includes at least 2 consecutive annual meeting dates, to elect successors to directors whose terms have expired; [2007, c. 289, §43 (AMD).]

E. The corporate assets are being misapplied or wasted; or [2007, c. 289, §43 (AMD).]

F. A shareholder of the corporation has abandoned its business and has failed within a reasonable time to liquidate and distribute its assets and dissolve. [2015, c. 259, §17 (AMD).]

This subsection does not apply in the case of a corporation that, on the date of the filing of the proceeding, has shares that are a covered security under Section 18(b)(1)(A) or (B) of the federal Securities Act of 1933, as amended. This subsection also does not apply in the case of a corporation that, on the date of the filing of the proceeding, has shares that are not a covered security under Section 18(b)(1)(A) or (B) of the federal Securities Act of 1933, as amended, but are held of record by at least 500 shareholders and the shares outstanding have a market value of at least \$20,000,000 exclusive of the value of such shares held by the corporation's executive officers or directors or by any person or group that beneficially owns more than 10% of the outstanding shares;

[2015, c. 259, §17 (AMD) .]

3. Creditor. A creditor if it is established that:

A. The creditor's claim has been reduced to judgment, the execution on the judgment has been returned unsatisfied and the corporation is insolvent; or [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

B. The corporation has admitted in writing that the creditor's claim is due and owing and the corporation is insolvent; or [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

4. Corporation. The corporation to have its voluntary dissolution continued under court supervision.

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

SECTION HISTORY

2001, c. 640, §A2 (NEW). 2001, c. 640, §B7 (AFF). 2007, c. 289, §43 (AMD). 2015, c. 259, §17 (AMD).

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